

National Emissions Trading System (nEHS)

Selling National Emissions Certificates

Third Quarter 2023 Report



Umwelt 
Bundesamt

DEHSt
Deutsche
Emissionshandelsstelle

Editorial information

Publisher

German Emissions Trading Authority (DEHSt)
at the German Environment Agency (UBA)

City Campus

Building 3, Entrance 3A

Buchholzweg 8

D-13627 Berlin

Phone: +49 (0) 30 8903 5080

Fax: +49 (0) 30 8903 5010

nationaler-emissionshandel@dehst.de

Internet: www.dehst.de/English

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Responsible editor: Section V 3.3

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Selling emissions certificates in the national emissions trading system (nEHS)

In 2021, the national emissions trading system (nEHS) came into effect for the heating and transport sectors in Germany. For each tonne of CO₂ that can be released from the combustion of fuel, a national emissions certificate (hereinafter referred to as nEHS certificate and abbreviated as nEZ) must be purchased and surrendered to the nEHS registry at the German Emissions Trading Authority (DEHSt) at the German Environment Agency (UBA). During the entire fixed-price phase up to and including 2025, the sale of nEHS certificates is carried out on a sales platform which is operated by the European Energy Exchange AG (EEX). The revenues from the sale flow into the Climate and Transformation Fund (KTF)¹.

The sales are carried out twice a week, on Tuesdays and Thursdays, from 09:00 am to 3:00 pm on the EEX spot market. Since 2022, nEHS certificates with the vintage of the respective current and previous year have been offered on EEX (see infobox).

Further information on sales is available on the [EEX website](#). The sales calendars are available on the [EEX website](#). The sales results are published on the [EEX website](#) on the same day following the sale.

DEHSt is the competent authority for the enforcement of the nEHS.

Overview of the core sales data

The following table summarises the key points of the sale of nEHS certificates (nEZs) on EEX in 2023:

2023		
Sales product	nEZ spot contracts for 2023	nEZ spot contracts for 2022
Sales period	from 10/01/2023 to 07/12/2023 ²	from 10/01/2023 to 21/09/2023
Sales volume for the entire year	unlimited ³	limited (see infobox below)
Sales volume per sales date	unlimited ³	limited (see infobox below)
Sales frequency	twice weekly (Tuesdays & Thursdays from 09:00 am to 3:00 pm)	
Minimum bid quantity	1 nEZ	
Sales mode	Fixed-price procedure with a fixed price of 30 euros per nEZ	Fixed-price procedure with a fixed price of 30 euros per nEZ

¹ Until July 2022 – Energy and Climate Fund (EKF).

² Presumably last sales date in 2023. Additional dates may be scheduled at a later date.

³ During the fixed-price phase, the number of available nEHS certificates with the vintage of the respective current year is not limited for the buyers on the sales dates. Insofar as the annual emission volume pursuant to paragraph 4(1) and (3) BEHG (called base cap) is exceeded for a calendar year within the trading period and the annual volumes of the Effort Sharing Regulation (EU-Klimaschutzverordnung) are not complied with, the demand for emission certificates in excess of this will be covered by the German Federal Government by making use of flexibility options pursuant to the Effort Sharing Regulation.



Fixed prices and rule for 'post-purchase' of nEHS certificates

Sales on the EEX within the nEHS will initially be subject to a fixed-price phase regulated by law from 2021 to 2025. On 16th November 2022 the 'Second law for amendment of the Fuel Emissions Trading Act' (BEHG) came into force (BGBl. I p. 2006; see [Bundesgesetzblatt \(bgbl.de\)](https://www.fedlex.de/bundesgesetzblatt/bgbl.de)). Amongst others, a respective one-year postponement of the forthcoming CO₂ price increases from 2023 onwards was decided. Thus, the fixed price for a nEHS certificate, i.e. for one tonne of CO₂, in a given year amounts to:

- ▶ 2021: 25 euros
- ▶ 2022: 30 euros
- ▶ 2023: 30 instead of 35 euros provided for previously by law
- ▶ 2024: 35 instead of 45 euros provided for previously by law
- ▶ 2025: 45 instead of 55 euros provided for previously by law.

The number of available nEZs with the vintage of the respective current year is not limited on the sales dates during the fixed-price phase. In the following year, a limited post-purchase of nEHS certificates with the vintage of the previous year is possible pursuant to paragraph 10(2) BEHG (the 'post-purchase rule'). The balance of nEHS certificates shown on the fuel distributor's compliance account as of December 31 of each year forms the assessment basis for this purpose. In the following year, an obligated party as per BEHG can buy up to 10 percent of this balance of nEHS certificates at the previous year's price on the EEX, or have them bought by intermediaries.

A transaction fee of 0.0049 euros or 0.49 cents (0.0058 euros including VAT) is charged by EEX for each nEZ purchased. Fixed fees or charges do not apply.

Current developments

Data on the emissions and surrender situation 2022 in the nEHS published

On 13th of November 2023, the German Emissions Trading Authority (DEHSt) at the Federal Environment Agency (UBA) published a [report](#) (available in German only) on the emissions for the year 2022 in the nEHS. According to preliminary figures from the German Emissions Trading Authority (DEHSt), around 288.5 million nEZ were surrendered in the second year of the nEHS – each nEZ corresponds to one tonne of CO₂. This is 17.9 million tonnes of CO₂ or around 5.9 percent less than in the previous year. The report describes, amongst others, the relation between the surrender volume and sales volume of nEZ for 2022.

A more detailed summary of the emissions and surrender situation in 2021 and 2022 in the nEHS is available on the [DEHSt website](#) (available in German only).

1 Overview

1.1 Third quarter of 2023

Between July and September, all scheduled nEHS sales dates of vintage 2023 and 2022 certificates were successfully carried out at the EEX for Germany. On 21st September 2023, the last sales date for limited post-purchase of vintage 2022 nEZ took place on EEX in accordance with the published sales calendar. Thus, 24 sales dates of vintage 2022 certificates and 26 sales dates of vintage 2023 certificates were carried out in the reporting period.

In the reporting period overall almost **108 million nEHS certificates** were sold at a fixed price of **30 euros** per nEZ with a total value of around **3.2 billion euros**. The average participation was 21 buyers per sales date (see also Chapter 2.1). In the third quarter 146 different buyers participated overall in the primary market. Indirect buyer participation via intermediaries is not included in the reported number of participants.

The following table gives an overview of the key sales figures in the reporting period.

Table 1: Overview of German nEZ sales in the third quarter 2023

Month/Date	Vintage year	Number of sales dates	Sales volume	Buyers	Price	Revenues
July	2022	8	622,718	*6	€ 30	€ 18,681,540
	2023	8	8,375,009	*11	€ 30	€ 251,250,270
August	2022	10	2,163,735	*7	€ 30	€ 64,912,050
	2023	10	14,213,703	*13	€ 30	€ 426,411,090
05/09/2023	2022		1,706,483	11	€ 30	€ 51,194,490
	2023		1,304,721	23	€ 30	€ 39,141,630
07/09/2023	2022		316,502	10	€ 30	€ 9,495,060
	2023		46,466,423	20	€ 30	€ 1,393,992,690
12/09/2023	2022		1,826,591	10	€ 30	€ 54,797,730
	2023		12,463,893	22	€ 30	€ 373,916,790
14/09/2023	2022		155,907	8	€ 30	€ 4,677,210
	2023		6,775,913	18	€ 30	€ 203,277,390
19/09/2023	2022		146,523	10	€ 30	€ 4,395,690
	2023		4,615,164	23	€ 30	€ 138,454,920
21/09/2023	2022		1,420,296	7	€ 30	€ 42,608,880
	2023		3,644,860	24	€ 30	€ 109,345,800
26/09/2023	2023		1,019,951	18	€ 30	€ 30,598,530
28/09/2023	2023		755,627	15	€ 30	€ 22,668,810
September	2022	6	5,572,302	*9	€ 30	€ 167,169,060
	2023	8	77,046,552	*20	€ 30	€ 2,311,396,560
2022		24	8,358,755	*7	€ 30	€ 250,762,650
2023		26	99,635,264	*14	€ 30	€ 2,989,057,920
Total		26	107,994,019	**21		€ 3,239,820,570

Source: EEX, DEHSt
 * Average per sales date and vintage, rounded
 ** Total average per sales date, rounded

1.2 Entire year 2023

In the first nine months of the current year a total of around **128 million nEZ** at a fixed price of **30 euros** per nEHS certificate with a total value of about **3.9 billion euros** were sold at the EEX. Of these, almost 119 million of vintage 2023 and around 9 million of vintage 2022 were sold. So far this year, the largest sales volume amounting to almost 83 million nEZ of vintages 2023 and 2022 was reached in the month of September, mainly consisting of vintage 2023 certificates (see also table 1). Overall, significantly more certificates were sold until the end of September 2023 than in the previous year (January to September 2022: around 69 million nEZ of vintages 2022 and 2021). It is likely that the increase of certificates sold is mainly due to a catch-up effect of some companies that may have postponed acquiring their certificates to 2023.⁴ As certificates cost 30 euros per nEZ in both 2022 and 2023, certificates of vintage 2023 could be used to cover reported emissions in 2022 at no additional cost in this year.⁵

The following table summarises the sales results on a monthly basis.

Table 2: Overview of German nEZ sales in the entire year 2023

Month	Vintage year	Number of sales dates	Sales volume	Buyers	Revenues
January	2022, 2023	7	718,607	*3	€ 21,558,210
February	2022, 2023	8	2,579,201	*3	€ 77,376,030
March	2022, 2023	9	3,241,823	*4	€ 97,254,690
April	2022, 2023	8	4,783,983	*5	€ 143,519,490
May	2022, 2023	8	4,086,541	*8	€ 122,596,230
June	2022, 2023	9	4,903,419	*11	€ 147,102,570
July	2022, 2023	8	8,997,727	*17	€ 269,931,810
August	2022, 2023	10	16,377,438	*20	€ 491,323,140
September	2022, 2023	6, resp. 8	82,618,854	*27	€ 2,478,565,620
	2022	73	9,313,933	**4	€ 279,417,990
	2023	75	118,993,660	**8	€ 3,569,809,800
Total		75	128,307,593	**11	€ 3,849,227,790

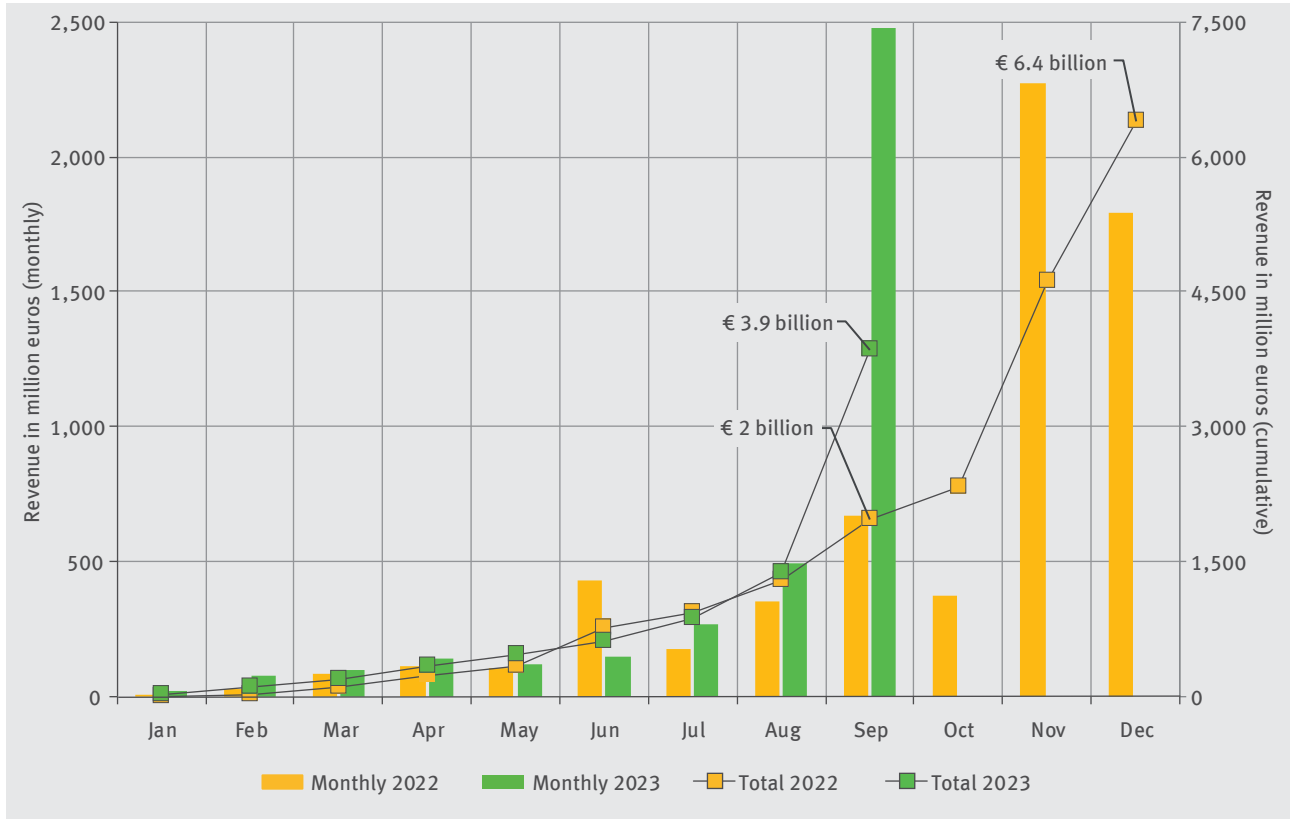
Source: EEX, DEHSt
 * Average per sales date, rounded
 ** Total average per sales date, rounded

Following the completion of the third quarter, the sale of nEZ of vintage 2022 at a fixed price of 30 euro within the post-purchase rule pursuant to paragraph 10(2) BEHG ended. Until 21st September 2023, it was possible to purchase these certificates within the individually permissible contingents on EEX. The total volume of permissible post-purchases of nEZ of vintage 2022 amounted to around 19.1 million nEZ. Thus, the total permissible post-purchase volume has been used up by obligated parties as per BEHG by around 50 percent amounting to around 9.3 million certificates. Considering the around 198 million certificates which were sold on EEX in 2022, the **total volume of sold nEZ of vintage 2022** amounts to around **207 million certificates** with a total value of around **6 billion euro**.

⁴ See chapter 2.4, https://www.dehst.de/SharedDocs/downloads/EN/nehs/sales-reports-nehs/2022/2022-Q4-and-yearly_sales-report.pdf

⁵ See chapter 'Current developments' above, <https://www.dehst.de/SharedDocs/downloads/DE/nehs/meldung-emissions-abgabesituation.pdf> (available in German only)

The following figure compares the development of German sales revenues (nEZ) in 2022 and 2023. In addition to the values per month, the cumulative total revenues are also shown. The revenues of the nEZs with the vintages of the respective years (2022: vintage 2022 and 2021 nEZ; 2023: vintage 2023 and 2022 nEZ) are displayed as totals. In the period of January to September 2022, revenues amounted to almost 2 billion euros, while in the reference period of the current year revenues of about 3.9 billion euros were already recorded.



Source: EEX, DEHSt

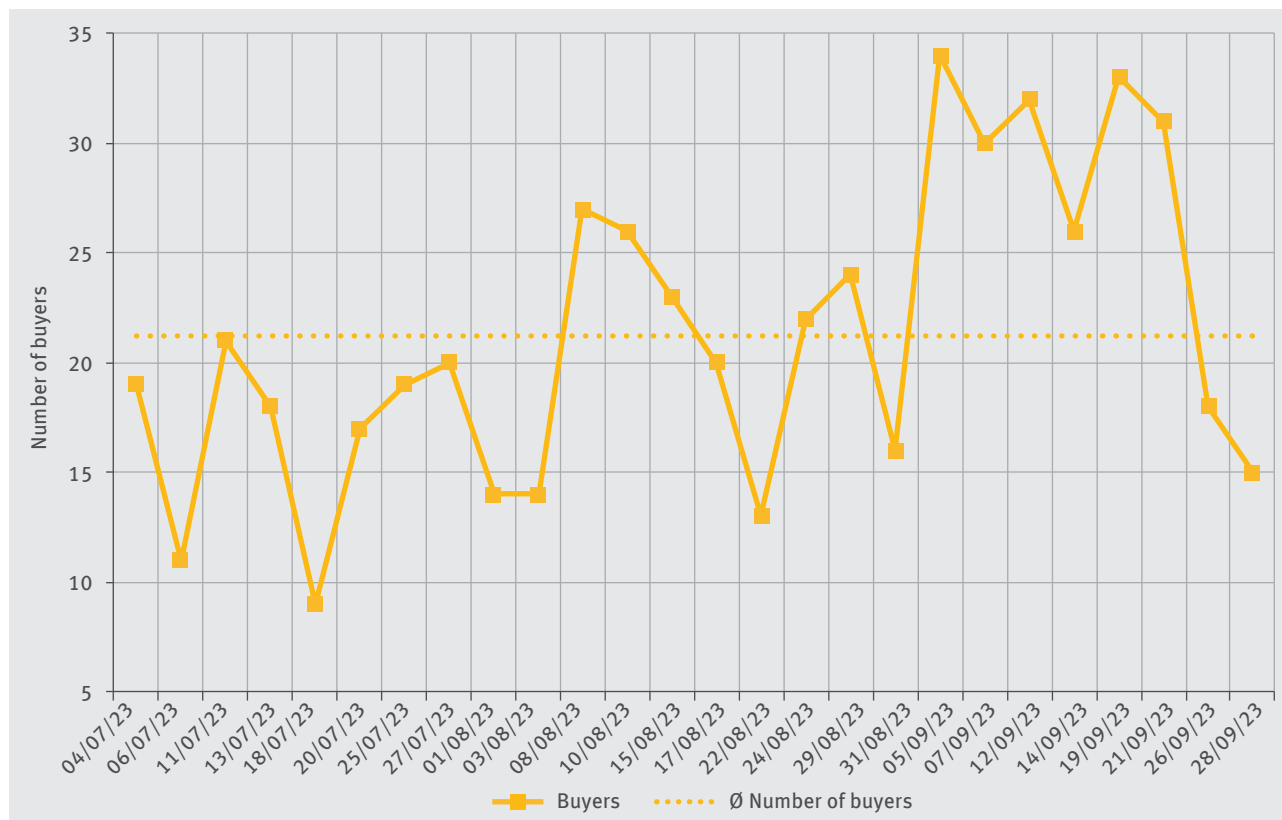
Figure 1: German sales revenues (nEZ) in 2023 and 2022

2 Buyer participation

2.1 Participation

The number of participants in the sale of nEHS certificates averaged across all 26 sales dates was around 21 buyers in the third quarter of 2023. Participation on the individual sales dates in the reporting period fluctuated between 9 and 34 buyers. Indirect buyer participation via intermediaries is not included in the reported number of participants.

The following figure illustrates the participation trend in nEZ sales over time.



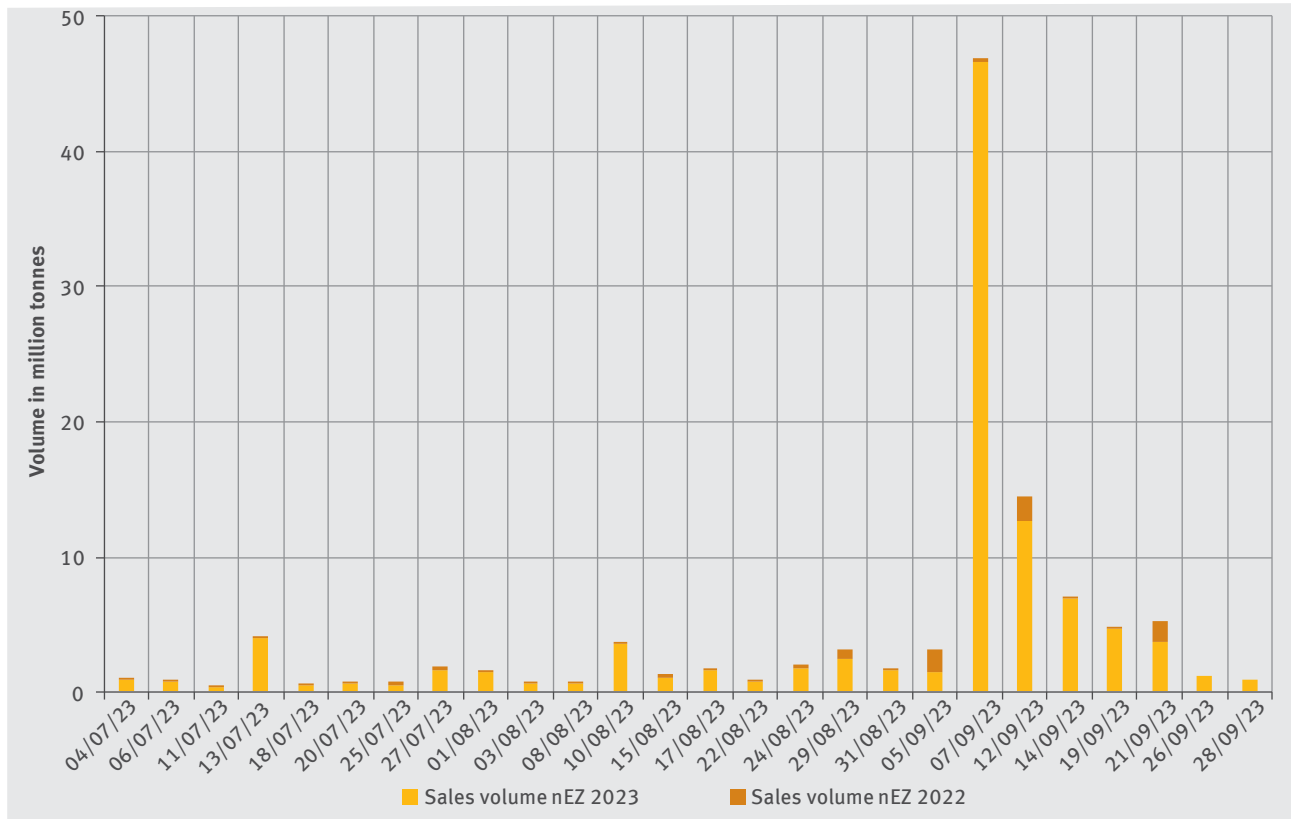
Source: EEX, DEHSt

Figure 2: Number of buyers per sales date (nEZ 2023 and nEZ 2022)

2.2 Volume demand

In the reporting period, the sales volumes of vintage 2023 and 2022 nEHS certificates per sales date fluctuated from almost 0.4 to around 47 million emission certificates. In total, valid buy bids amounting to almost 108 million nEHS certificates (vintage 2023 and 2022) were submitted in the third quarter of 2023.

The following figure summarises the results per sales date.



Source: EEX, DEHSt

Figure 3: Volume sold per sales date (nEZ 2023 and nEZ 2022)

3 Implementation of current regulations

3.1 Objective and non-discriminatory access

Paragraph 5(3) of the Fuel Emissions Trading Regulation (BEHV) stipulates that objective and non-discriminatory access to EEX is to be granted to those entitled to admission pursuant to paragraph 5(1) BEHV. The currently available access options are available on the [EEX website](#).

Information regarding the admission process can be obtained by calling the EEX nEHS admission hotline at + 49 69 211 – 15566 (languages: German, English and French) or by email at nehs-admission@eex.com. For general inquiries, EEX can be reached by email at nehs@eex.com. The nEHS FAQ are available via the following link: www.eex.com/en/faq.

3.2 Publication of sales results

All sales results with accompanying data were made publicly available on the [EEX website](#) on the respective sales day during the reporting period.

3.3 Other occurrences

There are no occurrences to report in connection with the implementation of the current regulations.

